Auditor of Accounts
Joint Finance Committee Hearing
Fiscal Year 2022

The Honorable Kathleen K. McGuiness

February 9, 2021

Value Statement

The Auditor's Office serves Delawareans by overseeing how the public's money is spent and ensuring that spending is within the public's interest to improve government function and build trust.

Auditor's Office ROI

- ✓ In 2021: Three reports identifying $87M in annual efficiency savings, government overspending and potential revenue sources

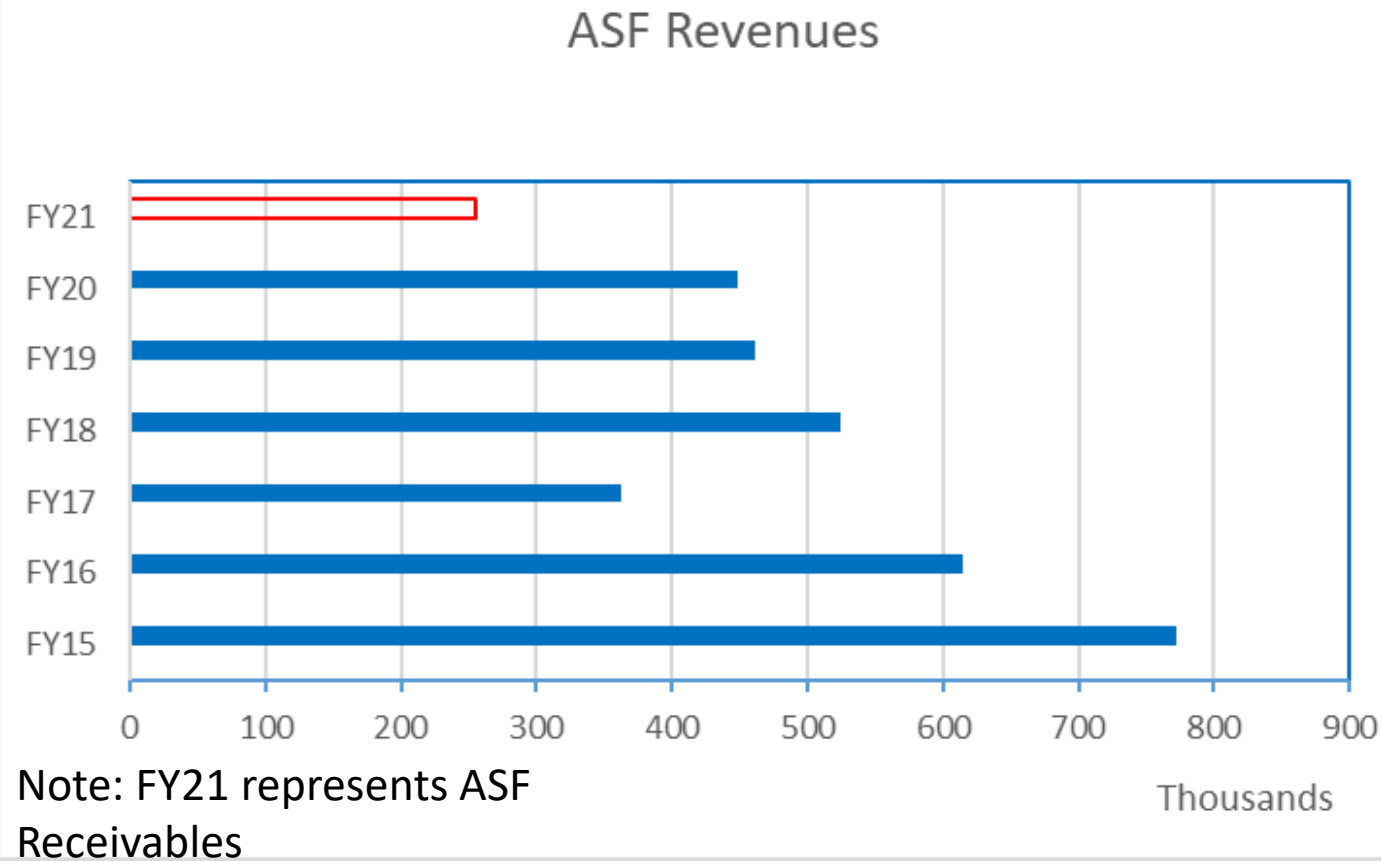- ✓ Given our 2021 $4.1M total budget, that's an ROI of **more than 21 times our total spend**

Comprehensive Annual Financial Report (CAFR)

- ✓ **Delaware's yearly fiscal report card**

- ✓ **Impacts the state's bond rating and tells financial investors whether Delaware is a safe bet for investment**

- ✓ **Federally mandated and could affect Delaware's receipt of federal funding if not completed on time**

Special Funds (ASF) Revenues Decreasing

ASF Revenues

Note: FY21 represents ASF Receivables

DE only state where 100% CAFR cost is paid out of State Auditor's budget

- 11 states/territories have budgets nearly 10X the size of DE's

- 2 states have less funding than DE

- DE is the only state that doesn't have appropriation or auditee billing to fully cover the CAFR

JFC Budget Request

Governor's **proposed** General Fund (GF) allocation	$2,992,800	Governor's **proposed** GF allocation	$2,992,800
Governor's **proposed** Special Funds (ASF)	$1,330,400	Special Funds (ASF) estimated **actual**	$255,000
Overall **proposed** revenue	$4,323,200	Overall **actual** revenue	$3,247,800
Needed GF revenue	**$4,576,087**		
Total JFC request	**$1,583,287**		

Conclusion

✓ If our budget were to increase by just **$1.58 million**, we'd have the staff capacity and talent to exceed total savings and revenues in FY22 by an **<u>additional $32 million.</u>**

✓ That amount doesn't even include efficiency savings realized from bringing previously outsourced services in-house or other notable recommendations designed to improve service delivery statewide.

Thank You